

City of Kensington

Kensington, Kansas

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2015

MAPES & MILLER
Certified Public Accountants
Phillipsburg, Kansas 67661

CITY OF KENSINGTON
Kensington, Kansas

For the Year Ended December 31, 2015

City Council

Judy Bates	JoAnn Rice
Max Kuhlmann	David Wahl
Curtis Beach	

City Offices

George Powell	Mayor
Amber Hardacre	City Clerk
Tonja Westerman	City Treasurer

City of Kensington
Kensington, Kansas

For the Year Ended December 31, 2015

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MAPES & MILLER LLP

CERTIFIED PUBLIC ACCOUNTANTS
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

JOHN D. MAPES, CPA, CHTD
DENIS W. MILLER, CPA, PA
THOMAS B. CARPENTER, CPA, PA
DON E. TILTON, CPA, PA

BRIAN S. THOMPSON, CPA, PA
REBECCA A. LIX, CPA, PA
STEPHANIE M. HEIER, CPA, PA

418 E HOLME
NORTON, KS 67654
(785)877-5833

P.O. BOX 266
711 3RD STREET
PHILLIPSBURG, KS 67661
(785)543-6561

PO BOX 412, 230 MAIN ST
QUINTER, KS 67752
(785)754-2111

P.O BOX 508
503 MAIN ST
STOCKTON, KS 67669
(785)425-6764

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Kensington
Kensington, Kansas 66951

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Kensington, Kansas, a Municipality, as of and for the year ended December 31, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Kensington on the basis of financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Kensington, Kansas as of December 31, 2015, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Kensington, Kansas, as of December 31, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2015 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the 2015 basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2015 basic financial statement. The 2015 information has been subjected to the auditing procedures applied in the audit of the 2015 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2015 basic financial statement or to the 2015 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Respectfully submitted,

Mapes & Miller LLP

Certified Public Accountants

August 8, 2016
Phillipsburg, Kansas

CITY OF KENSINGTON
Kensington, Kansas

Statement 1

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2015

FUNDS	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund							
General Operating Fund	\$ 70,029	\$ -	\$ 142,940	\$ 147,086	\$ 65,883	\$ 10,382	\$ 76,265
Special Purpose Funds							
Library Fund	-	-	6,507	6,332	175	-	175
Park & Recreation Fund	371	-	1,765	1,366	770	-	770
Special Highway Fund	1,803	-	11,982	11,831	1,954	-	1,954
Capital Improvements Fund	297,046	-	43,890	2,408	338,528	-	338,528
Business Funds							
Swimming Pool Fund	43	-	12,099	11,810	332	-	332
Water Fund	12,223	-	90,655	93,271	9,607	3,469	13,076
Sewer Fund	25,555	-	45,534	43,441	27,648	100	27,748
Solid Waste Fund	15,374	-	36,265	36,608	15,031	-	15,031
Utility Meter Deposit Fund	-	-	1,900	1,900	-	6,550	6,550
Total Financial Reporting Entity	<u>\$ 422,444</u>	<u>\$ -</u>	<u>\$ 393,537</u>	<u>\$ 356,053</u>	<u>\$ 459,928</u>	<u>\$ 20,501</u>	<u>\$ 480,429</u>
Composition of Cash:							
Cash on Hand							\$ 40
Checking Account							200
NOW Account							264,135
CDs							<u>218,511</u>
Total Cash							482,886
Agency Funds Per Schedule 3							<u>(2,457)</u>
Total Financial Reporting Entity							<u>\$ 480,429</u>

The notes to the financial statement are an integral part of this statement.

CITY OF KENSINGTON
Kensington, Kansas

NOTES TO THE FINANCIAL STATEMENT
December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The City of Kensington, Kansas, is a municipal corporation governed by an elected mayor and an elected five member council. This financial statement presents the City of Kensington, the Municipality, and does not include its related municipal entities.

B. Regulatory Basis Fund Types

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities for the City for the year ended December 31, 2015.

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Business Funds - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

Agency Funds - funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.)

C. Regulatory Basis Of Accounting And Departure From Accounting Principles Generally Accepted In The United States Of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the statutory basis of accounting.

D. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds, and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year ended December 31, 2015.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Projects Funds, Trust Funds and the following:

Special Purpose Fund:
Capital Improvements Fund
Business Fund:
Utility Meter Deposit Fund

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. STEWARSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

A. Fund encumbrance records were not maintained during the year ended December 31, 2015 as required by K.S.A. 10-1117.

B. The City is not aware of any other non-compliance with Kansas statutes.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located or in an adjoining County, if such an institution has been designated as an official depository and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of Credit Risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during the designated "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2015.

At December 31, 2015, the City's carrying amount of deposits was \$482,846 and the bank balance was \$483,926. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance \$250,221 was covered by federal depository insurance, \$233,705 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. INTERFUND TRANSFERS

From	To	Regulatory Authority	Amount
Special Highway Fund	Capital Improvements Fund	K.S.A. 12-1,118	\$ 5,000
Sewer Fund	Capital Improvements Fund	K.S.A. 12-825d	25,000
Solid Waste Fund	Capital Improvements Fund	K.S.A. 12-825d	10,000

5. DEFINED BENEFIT PENSION PLAN

Plan description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009. KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law establishes the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate was 10.33% for January 1, 2015 – June 30, 2015 (including the 0.85% contribution rate for Death and Disability Insurance) and 10.48% for July 1, 2015 to December 31, 2015 (including the 1.00% for Death and Disability Insurance). Contributions to the pension plan from the City were \$5,353 for the year ended December 31, 2015.

Net Pension Liability. At December 31, 2015, the City's proportionate share of the collective net pension liability reported by KPERS was \$44,197. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Other Employee Benefits

Vacation and Sick Leave

Sick leave is accumulated on the basis of eight hours for each continuous month of employment. New employees accumulate sick leave beginning with the first month following their employment date. Employees may accumulate sick leave up to ninety working days. Permanent part-time employees earn four hours of sick leave for each month worked. Accumulated sick leave is not paid upon termination of employment.

All full-time employees of the city are entitled to paid vacation. After one full year of employment, they are entitled to five working days of paid vacation. At the end of two years they are entitled to ten working days of paid vacation. At the end of ten years of employment, they are entitled to fifteen working days paid vacation. Five vacation days can be carried over to the following year. Carryover of any additional days must be approved by the City Council. Permanent part-time employees receive half as many days as full-time employees. No vacation may be taken prior to the employee's first anniversary date of employment, with the exception that an employee who has been employed for a period between six months and one year can use one day of vacation and permanent part-time employees may use a ½ day.

7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks.

During the year ended December 31, 2015, the City did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three years.

8. SUBSEQUENT EVENTS

On March 9, 2015, the City approved a resolution authorizing the City to enter into a Water Right Purchase Agreement. The City will pay the seller the sum of \$100,000 for the purchase of the well, water rights, and easements to be financed at a rate of 5% per annum, and payable over a nineteen year period. The purchase price will be paid in equal annual installments of \$7,642.33. Payments will begin following approval by the state. No payments were made in 2015.

On January 20, 2016, the City approved to apply for a Kansas Public Water Supply Loan from the Kansas Department of Health and Environment in an amount not to exceed \$485,144. Proceeds of the loan would be used to finance certain modifications and improvements to the City's water supply and distribution system. The loan is still waiting approval from KDHE.

Management has evaluated events subsequent to year end through the date of this report, and does not believe any other events through the date of this report have occurred, which effect the financial statement as presented.

CITY OF KENSINGTON, KANSAS
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

CITY OF KENSINGTON
Kensington, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015

FUNDS	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Fund					
General Operating Fund	\$ 253,492	\$ -	\$ 253,492	\$ 147,086	\$ (106,406)
Special Purpose Funds					
Library Fund	6,332	-	6,332	6,332	-
Park & Recreation Fund	1,765	-	1,765	1,366	(399)
Special Highway Fund	14,698	-	14,698	11,831	(2,867)
Business Funds					
Swimming Pool Fund	19,474	-	19,474	11,810	(7,664)
Water Fund	153,178	-	153,178	93,271	(59,907)
Sewer Fund	79,711	-	79,711	43,441	(36,270)
Solid Waste Fund	46,693	-	46,693	36,608	(10,085)

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-1
Page 1 of 2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 66,974	\$ 65,940	\$ 1,034
Delinquent Tax	1,481	3,600	(2,119)
Motor Vehicle Tax	24,106	20,649	3,457
Recreational Vehicle Tax	202	187	15
16/20M Vehicle Tax	711	479	232
Watercraft Tax	-	838	(838)
Commercial Vehicle Tax	91	-	91
Intangibles Tax	14,616	15,000	(384)
Local Alcoholic Liquor Tax	1,765	1,306	459
Franchise Tax	16,290	19,000	(2,710)
Licenses & Permits	319	1,000	(681)
Fines	1,462	3,500	(2,038)
Interest on Idle Funds	1,851	4,500	(2,649)
Reimbursements	12,140	13,000	(860)
Miscellaneous Receipts	-	3,000	(3,000)
Grants	932	10,000	(9,068)
	<u>142,940</u>	<u>\$ 161,999</u>	<u>\$ (19,059)</u>
Total Receipts			
EXPENDITURES			
Personal Services	42,217	\$ 36,000	\$ 6,217
Law Enforcement	9,600	10,000	(400)
Insurance	22,145	25,000	(2,855)
Utilities	18,015	20,000	(1,985)
Taxes	4,613	7,000	(2,387)
Attorney	4,077	1,300	2,777
Printing & Advertising	681	1,500	(819)
Merchandise	-	1,000	(1,000)
Swimming Pool			
Personal Services	14,151	13,500	651
Repairs & Supplies	10,459	3,000	7,459
Chemicals	619	5,500	(4,881)
Utilities	969	600	369
Concessions	431	800	(369)
Miscellaneous	175	200	(25)
Capital Outlay	-	6,000	(6,000)
Red Cross Training	440	600	(160)
Neighborhood Revitalization Rebate	2,417	-	2,417

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-1
Page 2 of 2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Miscellaneous Expenditures	\$ 13,270	\$ 5,000	\$ 8,270
Contractual Services	1,269	20,000	(18,731)
Capital Outlay	987	51,963	(50,976)
Reimbursements	-	3,529	(3,529)
Alcoholic Beverage Control	25	100	(75)
NWKP	310	600	(290)
Kansas League Fund	216	300	(84)
Outgoing Transfer			
Capital Improvements Fund	-	40,000	(40,000)
Total Expenditures	<u>147,086</u>	<u>\$ 253,492</u>	<u>\$ (106,406)</u>
Cash Receipts Over (Under) Expenditures	(4,146)		
UNENCUMBERED CASH, January 1, 2015	<u>70,029</u>		
UNENCUMBERED CASH, December 31, 2015	<u>\$ 65,883</u>		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

LIBRARY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad Valorem Tax	\$ 4,605	\$ 4,718	\$ (113)
Delinquent Tax	110	100	10
Motor Vehicle Tax	1,720	1,467	253
Recreational Vehicle Tax	14	13	1
16/20M Vehicle Tax	52	34	18
Commercial Vehicle Tax	6	-	6
	<u>6,507</u>	<u>\$ 6,332</u>	<u>\$ 175</u>
Total Receipts			
EXPENDITURES			
Appropriation to Library	<u>6,332</u>	<u>\$ 6,332</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	175		
UNENCUMBERED CASH, January 1, 2015	<u>-</u>		
UNENCUMBERED CASH, December 31, 2015	<u>\$ 175</u>		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-3

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

PARK & RECREATION FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local Alcoholic Liquor Tax	\$ 1,765	\$ 1,306	\$ 459
EXPENDITURES			
Contractual Services	1,366	\$ 1,765	\$ (399)
Receipts Over (Under) Expenditures	399		
UNENCUMBERED CASH, January 1, 2015	371		
UNENCUMBERED CASH, December 31, 2015	\$ 770		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

SPECIAL HIGHWAY FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Special Gasoline Tax	\$ 11,982	\$ 11,860	\$ 122
EXPENDITURES			
Contractual Services	6,831	\$ 11,334	\$ (4,503)
Outgoing Transfer			
Capital Improvements Fund	5,000	3,364	1,636
Total Expenditures	11,831	\$ 14,698	\$ (2,867)
Receipts Over (Under) Expenditures	151		
UNENCUMBERED CASH, January 1, 2015	1,803		
UNENCUMBERED CASH, December 31, 2015	\$ 1,954		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-5

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended December 31, 2015

CAPITAL IMPROVEMENTS FUND

	Actual
RECEIPTS	
Donation	\$ 3,890
Incoming Transfers	
Special Highway Fund	5,000
Sewer Fund	25,000
Solid Waste Fund	10,000
Total Receipts	43,890
EXPENDITURES	
Capital Outlay	2,408
Receipts Over (Under) Expenditures	41,482
UNENCUMBERED CASH, January 1, 2015	297,046
UNENCUMBERED CASH, December 31, 2015	\$ 338,528

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-6

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

SWIMMING POOL FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Admissions	\$ 5,524	\$ 7,500	\$ (1,976)
Concessions	1,910	2,600	(690)
Lessons	1,165	2,600	(1,435)
Grants	3,500	3,000	500
	<u>12,099</u>	<u>\$ 15,700</u>	<u>\$ (3,601)</u>
Total Receipts			
EXPENDITURES			
Personal Services	-	\$ 7,200	\$ (7,200)
Utilities	2,026	2,600	(574)
Supplies	-	1,900	(1,900)
Chemicals	3,040	1,557	1,483
Concessions	1,120	1,200	(80)
Repairs	3,057	4,217	(1,160)
Red Cross Training	845	400	445
Miscellaneous Expenditures	1,722	400	1,322
	<u>11,810</u>	<u>\$ 19,474</u>	<u>\$ (7,664)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	289		
UNENCUMBERED CASH, January 1, 2015	<u>43</u>		
UNENCUMBERED CASH, December 31, 2015	<u>\$ 332</u>		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-7

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

WATER FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Fees Collected	\$ 90,655	\$ 109,100	\$ (18,445)
EXPENDITURES			
Personal Services	21,090	\$ 26,000	\$ (4,910)
Operations	69,780	63,000	6,780
Sales Tax	1,435	-	1,435
Clearwater Tax	966	-	966
Capital Outlay	-	59,178	(59,178)
Outgoing Transfer			
Capital Improvements Fund	-	5,000	(5,000)
Total Expenditures	93,271	\$ 153,178	\$ (59,907)
Receipts Over (Under) Expenditures	(2,616)		
UNENCUMBERED CASH, January 1, 2015	12,223		
UNENCUMBERED CASH, December 31, 2015	\$ 9,607		

CITY OF KENSINGTON
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Schedule 2-8

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

SEWER FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Fees Collected	\$ 45,534	\$ 47,000	\$ (1,466)
EXPENDITURES			
Personal Services	11,257	\$ 12,000	\$ (743)
Operations	7,184	19,557	(12,373)
Capital Outlay	-	41,654	(41,654)
Outgoing Transfer			
Capital Improvements Fund	25,000	6,500	18,500
Total Expenditures	43,441	\$ 79,711	\$ (36,270)
Receipts Over (Under) Expenditures	2,093		
UNENCUMBERED CASH, January 1, 2015	25,555		
UNENCUMBERED CASH, December 31, 2015	\$ 27,648		

CITY OF KENSINGTON
Kensington, Kansas

Schedule 2-9

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

SOLID WASTE FUND

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Fees Collected	\$ 36,265	\$ 31,000	\$ 5,265
EXPENDITURES			
Removal of Waste	26,608	\$ 30,000	\$ (3,392)
Testing & Tipping Fees	-	8,693	(8,693)
Outgoing Transfer			
Capital Improvements Fund	10,000	8,000	2,000
Total Expenditures	36,608	\$ 46,693	\$ (10,085)
Receipts Over (Under) Expenditures	(343)		
UNENCUMBERED CASH, January 1, 2015	15,374		
UNENCUMBERED CASH, December 31, 2015	\$ 15,031		

CITY OF KENSINGTON
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Schedule 2-10

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015

UTILITY METER DEPOSIT FUND

	<u>Actual</u>
RECEIPTS	
Utility Deposits	<u>\$ 1,900</u>
EXPENDITURES	
Refunds	<u> 1,900</u>
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2015	<u>-</u>
UNENCUMBERED CASH, December 31, 2015	<u><u>\$ -</u></u>

CITY OF KENSINGTON
Kensington, Kansas

Schedule 3

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2015

AGENCY FUNDS

<u>FUNDS</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Hospital Sales Tax	<u>\$ -</u>	<u>\$ 17,811</u>	<u>\$ 15,354</u>	<u>\$ 2,457</u>